UNITED STATES DISTRICT COURT FOR THE EASTERN DISTRICT OF PENNSYLVANIA

SECURITIES AND EXCHANGE COMMISSION	,)	
Plaintiff,))	10 07270 1/90
V.) Civil Action No:	10-cv-07379-MSG
ALFRED CLAY LUDLUM III,)	
PRINTZ CAPITAL MANAGEMENT, LLC,)	
PRINTZ FINANCIAL GROUP, INC., and)	
PCM GLOBAL HOLDINGS, LLC)	•
)	
Defendants)	

DECLARATION OF DEVON LEPPINK STAREN IN SUPPORT OF PLAINTIFF'S MOTION AND INCORPORATED MEMORANDUM OF LAW IN SUPPORT OF ITS MOTION FOR FINAL JUDGMENT BY DEFAULT AS TO PERMANENT INJUNCTIVE RELIEF AND REMEDIES AGAINST DEFENDANTS PRINTZ CAPITAL MANAGEMENT, LLC, PRINTZ FINANCIAL GROUP, INC., AND PCM GLOBAL HOLDINGS, LLC

DEVON LEPPINK STAREN, pursuant to 28 U.S.C. § 1746, declares as follows:

- 1. I make this declaration in support of the Commission's Motion and Incorporated Memorandum of Law in Support of its Motion for Final Judgment by Default as to Permanent Injunctive Relief and Remedies Against Defendants Printz Capital Management, LLC ("Printz Capital"), Printz Financial Group, Inc. ("Printz Financial"), and PCM Global Holdings, LLC ("PCM Global") (collectively, the "Printz Entities").
- 2. I have personal and first hand knowledge of the facts set forth in this Declaration and, if called and sworn as a witness, could and would competently testify thereto.
- 3. I am a Senior Counsel in the Division of Enforcement of the United States

 Securities and Exchange Commission ("Commission") in Washington, D.C. As part of my daily
 activities I investigate possible securities law violations. I am a member in good standing of the

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bar of the District of Columbia. The facts set forth herein are based upon my personal knowledge or upon information contained in the files of the Commission.

- 4. During the Commission's investigation in this matter, I reviewed account statements, checks, and other documents concerning accounts held by the Printz Entities and certain of their affiliates at Pershing Advisor Solutions LLC ("Pershing"), Wachovia Bank of Delaware, NA ("Wachovia"), Merrill Lynch, Pierce, Fenner & Smith, Inc. ("Merrill"), and Citibank NA ("Citibank"), among others that were produced to the Commission staff. I also reviewed account statements and other documents concerning the accounts held at Pershing by Printz Capital advisory clients that were produced to the Commission staff.
- 5. I also reviewed investment management agreements and other documents produced by Pershing and Alfred Clay Ludlum, III ("Ludlum") relating to the advisory fees paid to Printz Capital by its clients.
- 6. In addition, the Commission staff took sworn testimony and conducted voluntary interviews with Ludlum, investors in the Printz Entities, Printz Capital clients, and other witnesses concerning the management fees, investments, loans, and other payments made to the Printz Entities, as well as other subjects.
- 7. Based on my review of information from these sources, as well as other information gathered during the course of the investigation, I created a chart of payments representing the investments in, and loans to, the Printz Entities, as well as the funds misappropriated from certain of Printz Capital's clients' accounts. This chart is attached as **Exhibit A**.
- 8. As reflected in Exhibit A, I calculated that the Printz Entities raised \$850,031 from investors through management fees deducted from Printz Capital clients' accounts, checks,

and wire transfers, as well as loans from a Printz Capital advisory client and funds that were misappropriated from Printz Capital advisory clients' accounts without their authorization. I also calculated that the Printz Entities returned \$114,414 to investors in interest and principal repayments. Consequently, a reasonable approximation of the Printz Entities' total illicit gains is \$735,617.

9. In accordance with the Commission's customary practice, I have computed prejudgment interest according to the rates used by the Internal Revenue Service pursuant to 26 U.S.C. § 6621(a)(2) to prevent taxpayers who have underpaid their taxes from being unjustly enriched. 26 C.F.R. § 301.6621. Using a Commission computer program that, I am informed and believe, was designed for the purpose of computing prejudgment interest, I computed interest on the principal amount of \$735,617 from May 26, 2009 (the date on which the Printz Entities collected their last investment) through February 14, 2011. The amount of interest thus computed is \$49,817. A printout of the computation is attached as **Exhibit B**.

I declare under penalty of perjury that the foregoing is true and correct. Executed on February 14, 2011.

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/	s/ Devon Leppink Staren	
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EXHIBIT A to Staren Declaration (February 14, 2011) SEC v. Ludlum, et. al., 10-cv-07379

6/18/2006 10,000 Suntrust ************************************	DATE	AMOUNT	FROM ACCOUNT	TO ACCOUNT	TRANSFER VEHICLE	AMOUNT RETURNED
7/26/2008 2,000 Wachovia************************************	6/16/2006	10,000		Wachovia *******9948		
Machovia	7/7/2006	8,000	Smith Barney *****4635	Wachovia *******9948	Check	
8/82/2006	7/26/2006	2,000		Wachovia *******9948	Check	
821/2006 38,000 Wachovia	7/31/2006					79.75
821/2006 Wachovia Wachovia S37 Wachovia Check S3.1	8/8/2006	2,000	Wachovia ******3537	Wachovia ******9948	Check	
8/22/2006 38,000 Wachovia ************************************	8/21/2006		Wachovia *******9948		Check	54.87
8/27/2006 Wachovia		38 000		Wachovia *******9948		
9/12/2006		00,000		1700.10110		53.1
9/18/2006 500 Sunhrust ****5929 Wachovia *****9948 Check						
9/18/2006 7,500 Suntrust ****7445 Wachovia ************************************		500		Wachovia *******9948		
10/3/2006 10,000 Commerce Bank 15,000 USA 1832 Wachovia 19948 Check 10/23/2006 15,000 Pershing 157 Pershing 109 Management Fee 10/31/2006 2,000 Pershing 197 Pershing 109 Management Fee 10/31/2006 2,000 Pershing 197 Pershing 109 Management Fee 11/1/2006 Wachovia 19948 Check 65,76 Check 65,76 Check 65,76 Check 11/1/2006 Wachovia 19948 Check 65,76 Check 65,76 Check 11/1/2006 Wachovia 19948 Check 26,67 Check 26,67 Check 27,95				Wachovia *******9948	Check	
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11/1/2006			Wachovia ********9949			
11/1/2006						
11/28/2006 8,000 Pershing Pershing Working Management Fee 11/30/2006 Wachovia Wachovia Check 53.1 11/30/2006 Wachovia Wachovia Check 99.9 11/30/2006 Wachovia Automated Debit 166.68 11/30/2007 S75 Pershing Pershing Wachovia 11/2/2007 575 Pershing Pershing Wachovia 11/31/2007 2,000 Pershing Pershing Wachovia 11/2/2007 2,000 Pershing Pershing Wachovia 11/2/2007 2,000 Pershing Wachovia Wachovia Wachovia 11/2/2007 2,000 Pershing Pershing Wachovia			Wachovia ************			
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11/30/2006			Wachovia ********0048			
1/12/2007 575 Pershing ************************************		•	\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\			
1/31/2007 2,000 Pershing ********82 Pershing ********99 Management Fee 2/5/2007 2,800 Pershing *******31 Pershing ********99 Management Fee 2/28/2007 7,200 Pershing ******31 Pershing *******99 Management Fee 2/28/2007 37,700 Pershing ******88 Pershing *******99 Management Fee 3/1/2007 14,000 Pershing ******66 Pershing *******99 Management Fee 3/1/2007 4,280 Pershing ******65 Pershing *******99 Management Fee 3/1/2007 4,280 Pershing ******64 Pershing ******99 Management Fee 3/1/2007 Wachovia ********9948 Check 260 Management Fee 260		575	Porching *****57	Perching ******00		100.0
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2/6/2007 7,200 Pershing *******31 Pershing ************************************				Pershing ***********	4	
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3/9/2007 50,000 Pershing *******64 Pershing ******09 Management Fee			Pershing ******65	Pershing *******00		
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4/4/2007 5,000 Pershing *******88 Pershing ********************************* Management Fee 4/20/2007 40,000 Bank of America Wachovia ************************* Wire Transfer 5/4/2007 15,000 Navy FCU Wachovia ********************************* Wire Transfer 5/15/2007 Wachovia ************************************		50,000	Weehavia ***********************************	reisiting 09		260
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5/30/2007 1,000 Pershing ************************************		40.000		Dorobing ********		230.93
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EXHIBIT A to Staren Declaration (February 14, 2011) SEC v. Ludium, et. al., 10-cv-07379

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3/3/2008	10,000	Pershing ******14	Pershing ******09	Management Fee	
3/18/2008	10,000	Pershing ******99	Pershing ******09	Management Fee	
3/20/2008	45.000	Wachovia *******8491		Check	2000
3/20/2008	15,000	Pershing ******16	Pershing ******09	Management Fee	
3/20/2008	10,000	Pershing ******08	Pershing ******09	Management Fee	
3/20/2008		Wachovia *******9948	Sun Trust Bank	Wire Transfer	2000
3/20/2008	15,000	Pershing ******99	Pershing ******09	Management Fee	
3/21/2008		Wachovia ******9651	Bank of America	Wire Transfer	30,000
4/22/2008	2,000	Pershing ******07	Pershing ******09	Management Fee	
5/2/2008	10,000	Pershing ******22	Pershing ******09	Management Fee	
5/2/2008		Wachovia *******9948		Counter Withdrawal	1000
5/8/2008	10,000	Pershing ******22	Pershing ******09	Management Fee	
5/8/2008	5,000	Pershing *****15	Pershing ******09	Management Fee	
6/18/2008	7,000	Pershing *****49	Pershing ******09	Management Fee	
6/18/2008	1,000	Pershing ******82	Pershing ******09	Management Fee	
7/1/2008	5,000	Pershing ******33	Pershing ******09	Management Fee	
7/9/2008	50,000	Pershing ******99	Pershing ******09	Management Fee	
7/14/2008		Wachovia *******8491		Check	800
7/14/2008		Wachovia *******8491		Check	800
7/14/2008		Wachovia *********8491		Check	1200
8/1/2008		Wachovia ********7626		Check	92.35
8/5/2008	15,000	Pershing ******47	Pershing ******09	Management Fee	94.33
8/8/2008	10,000	Pershing ******47	Pershing ******09	Management Fee	
8/11/2008	5,000	Pershing *****47	Pershing ******09	Management Fee	
8/8/2008	0,000	Wachovia *******9948	Sun Trust Bank	Wire Transfer	900
9/3/2008	4,000	Pershing ******99	Pershing ******09		800
9/9/2008	10,000	Pershing ******15	Pershing ******09	Management Fee	
9/26/2008	3,000	Pershing ******99	Pershing ******09	Management Fee	
10/1/2008	2,000	Pershing *****15		Management Fee	
10/1/2008	1,000	Pershing 15 Pershing ******07	Pershing ******09	Management Fee	
10/17/2008	25,000		Pershing ******09	Management Fee	
10/20/2008	20,000	Pershing ******31 Wachovia *******7626	Pershing ******09	Management Fee	
11/3/2008	1,000		Pershing ******47	Wire Transfer	20000
11/7/2008	1,000	Pershing ******15	Pershing ******09	Management Fee	
11/7/2008		Wachovia *******9948		Check	168.63
	3,000	Pershing ******99	Pershing *******09	Management Fee	
11/25/2008	2,000	Pershing ******33	Pershing ******09	Management Fee	<u> </u>
11/25/2008	2,000	Pershing ******99	Pershing ******09	Management Fee	·
12/2/2008	450	Pershing ******15	Pershing ******09	Management Fee	
12/2/2008	650	Pershing ******07	Pershing ******09	Management Fee	
12/8/2008	1,000.00	Pershing ******56	Pershing ******09	Management Fee	
12/15/2008	25,000	Pershing ******16	Pershing ******09	Management Fee	
1/9/2009	2,500	Pershing ******99	Pershing ******09	Management Fee	
1/16/2009	1,000	Pershing ******07	Pershing ******09	Management Fee	
1/20/2009	5,000	Pershing ******15	Pershing ******09	Management Fee	
2/18/2009	780	Pershing *****15	Pershing ******09	Management Fee	
2/25/2009	220	Pershing ******15	Pershing ******09	Management Fee	
3/2/2009	10,000	Pershing ******14	Pershing ******09	Management Fee	
3/5/2009	3,000	Pershing ******82	Pershing ******09	Management Fee	· · · · · ·
3/16/2009		Wachovia *******7626	Sun Trust Bank	Wire Transfer	1000
3/16/2009	20,000	Pershing ******99	Pershing ******09	Management Fee	
3/16/2009		Wachovia *******7626	Bank of America	Wire Transfer	1000
3/19/2009		Wachovia ******7626	Dain, O. Fanonoa	Check	76
				Direct transfer of Treasury	,,,
4/30/2009	10,000	Pershing ******99	Merrill ****7476	Bills	
5/1/2009	10,000	Pershing ******21	Merrill ****7476		
5/26/2009	30,000	Pershing *****47		Wire Transfer	
6/11/2009	50,500	Wachovia *******7626	Merrill ****7476	Electronic Check	
6/23/2009			Donk of Assessed	Check	300
6/26/2009		Wachovia *******7626	Bank of America	Wire Transfer	2000
		Wachovia *******7626	Commerce (TD) Bank	Wire Transfer	800
9/15/2009	<u> </u>	Citibank *****6526	Sun Trust Bank	Wire Transfer	5000

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EXHIBIT A to Staren Declaration (February 14, 2011) SEC v. Ludlum, et. al., 10-cv-07379

12/29/2009	Citibank ****6526	Sun Trust Bank	Wire Transfer	1000
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TOTALS 850,031				144 /44

EXHIBIT B to Staren Declaration (February 14, 2011)



U.S. Securities and Exchange Commission

Division of Enforcement

Prejudgment Interest Report

Quarter Range	Annual Rate	Period Rate	Quarter Interest	Principal+Interest
Violation Amount				\$735,617.00
06/01/2009-06/30/2009	4%	0.33%	\$2,452.06	\$738,069.06
07/01/2009-09/30/2009	4%	1%	\$7,380.69	\$745,449.75
10/01/2009-12/31/2009	4%	1%	\$7,454.50	\$752,904.25
01/01/2010-03/31/2010	4%	1%	\$7,529.04	\$760,433.29
04/01/2010-06/30/2010	4%	1%	\$7,604.33	\$768,037.62
07/01/2010-09/30/2010	4%	1%	\$7,680.38	\$775,718.00
10/01/2010-12/31/2010	4%	1%	\$7,757.18	\$783,475.18
01/01/2011-01/31/2011	3%	0.25%	\$1,958.69	\$785,433.87

Prejudgment Violation Range 06/01/2009-01/31/2011 Quarter Interest Total \$49,816.87 Prejudgment Total \$785,433.87